

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 19992
[REDACTED],)	
)	DECISION
Petitioners.)	
_____)	

On December 12, 2006, the Tax Discovery Bureau (TDB) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NOD) to [Redacted] (petitioners) proposing income tax, penalty, and interest for the taxable years 2002, 2003, and 2004 in the total amount of \$52,108.

A timely protest and petition for redetermination was filed by the petitioners. An informal hearing has not been requested by the petitioners. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision affirming the NOD.

The petitioners failed to file their 2002, 2003, and 2004 individual income tax return. On September 15, 2006, the TDB sent a letter with a questionnaire to the petitioners to help the Commission properly determine the petitioners' filing requirement. The petitioners did not respond to this letter. [Redacted]

In the petitioners' protest letter postmarked February 12, 2007, [Redacted] stated that they had deductions for payroll and other expenses. Mr. [Redacted] stated he would have their taxes filed by the end of March.

The TDB sent the petitioners a letter dated February 14, 2007, which requested they send their 2002 through 2004 Idaho individual income tax returns with a full copy of their federal returns and W-2s attached by March 31, 2007. The petitioners did not respond.

On May 15, 2007, the Tax Policy Specialist (policy specialist) sent the petitioners a letter to inform them of the alternatives for redetermining a protested NOD. A follow-up letter was sent to the petitioners on July 10, 2007. The petitioners did not respond to either letter.

It is well settled in Idaho that a NOD issued by the Idaho State Tax Commission is presumed to be correct. Albertson's Inc. v. State, Dept. of Revenue, 106 Idaho 810, 814 (1984); Parsons v. Idaho State Tax Commission, 110 Idaho 572, 574-575 n.2 (Ct. App. 1986). The burden is on the petitioners to show that the tax deficiency is erroneous. Id. Since the petitioners have failed to meet the burden in this case, the Tax Commission finds that the amount shown due on the Notice of Deficiency Determination is true and correct.

[Redacted] The petitioners have not provided the Commission with a contrary result to the determination of their income [Redacted]. Therefore, the Commission must uphold the deficiency.

WHEREFORE, the Notice of Deficiency Determination dated December 12, 2006, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the petitioners pay the following tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2002	\$11,847	\$2,962	\$3,908	\$18,717
2003	13,010	3,253	3,601	19,864
2004	11,850	2,963	2,568	<u>17,381</u>
			TOTAL DUE	<u>\$55,962</u>

Interest is computed through August 10, 2008.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the petitioners' right to appeal this decision is enclosed.

DATED this _____ day of _____, 2008.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____, 2008, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]

Receipt No.